

NEWS RELEASE

**OFFICE OF THE UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF ILLINOIS**

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For Immediate Release

DECEMBER 13, 2004

Ronald J. Tenpas, United States Attorney for the Southern District of Illinois, announced today that following a five day trial, on December 10, 2004, a Federal jury in East St. Louis found **WARREN J. ILGES**, age 50, of 1711 Methodist, Carlyle, Illinois, guilty of mail fraud, concealing material information from the Social Security Administration and false statements. The charges concerned **ILGES'** collection of Title II disability benefits from the Social Security Administration.

The evidence adduced at trial revealed that on November 1, 1985, **WARREN S. ILGES** applied to the SSA for Title II disability payments based on a back condition, on behalf of himself and as representative payee of his minor children. By signing his application for benefits, **ILGES** acknowledged and agreed to notify Social Security if he returned to work. Initially, SSA administratively denied **ILGES'** claim, finding that his condition did not keep him from working. Following a number of appeals and a hearing before an Administrative Law Judge, in 1988 **ILGES** began receiving Title II disability benefits based upon his back condition.

In order to determine whether he was still entitled to receive disability benefits, in January, 1995, the SSA asked **ILGES** to complete a "Report of Continuing Disability Interview" form. When asked on the form if he had done any work since he became disabled, Ilges stated "no." In fact, from October, 1994 to December, 1994, **ILGES** worked as a part-time prisoner transporter for Clinton County and received income from Clinton County. Following his submission of the Report of Continuing Disability Interview, **ILGES** continued to receive disability benefits.

In March, 1998, the SSA asked **ILGES** to complete another Report of Continuing Disability Interview form. When asked on the form if he had done any work since he became disabled, **ILGES** stated "no." **ILGES** failed to report his work as a part-time prisoner transporter for Clinton County from October to December of 1994 and from April 1996 continuing into March, 1998. Following his submission of the form to SSA, he continued to receive benefits.

In 2003, the SSA discovered **ILGES'** earnings, and the SSA asked **ILGES** to complete a Work Activity Report. **ILGES** did complete and submit a Work Activity Report to SSA on or about June 23, 2003. That form asked **ILGES** to report work activity since November, 1985. **ILGES** reported his employment as a part-time prisoner transporter for Clinton County, and he indicated that he started that work in 1994. However, **ILGES** concealed from the SSA the fact of his contractual agreement with the United States Marshals Service and the fact that he started working as a contract guard for the federal government in May, 2003. In reaching a contractual agreement with the United States Marshals Service, **ILGES** told the United States Marshals Service that he was able to perform the full range of duties without limitations which were described in the "Statement of Work." Those duties included carrying a firearm and "accompanying Federal prisoners to jails, court, or other areas

of hospitals for treatment, tests, etc., to prevent escapes.” **ILGES** told the United States Marshals Service that he was “in good general health and physical condition.” **ILGES** did tell the United States Marshals Service that he had a heart condition, but he also provided a cardiologist’s note indicating that he was able to work.

SSA overpaid **WARREN J. ILGES** \$81,553 as a result of the fraud.

As to the mail fraud count, **WARREN J. ILGES** faces penalties of up to twenty years of imprisonment. **ILGES** also faces up to five years imprisonment on each of the remaining three counts of the indictment. Sentencing is scheduled for April 1, 2005.

The case was prosecuted by Assistant United States Attorney Suzanne M. Garrison.

The Social Security Administration pays disability benefits under the Social Security Disability Insurance Program. Disability benefits are based upon an inability to work. Benefits are not awarded for partial disability or for short-term disability. Benefits are awarded only for long-term or permanent disabilities. Claimants agree that they are responsible for notifying SSA if their condition improves or if they return to work. Eligibility for Social Security Disability Insurance Benefits requires that the claimant have a history of work and payment into Social Security. Applicants for Social Security disability benefits are required to provide truthful information about their ability to do work-related activities, such as walking, sitting, lifting and carrying and remembering instructions. The SSA must review all disability cases from time to time, to make sure that people receiving benefits continue to be disabled and meet all other requirements.

_____The Social Security Administration (SSA), Office of the Inspector General (OIG), Fraud Hotline provides an avenue for reporting fraud, waste, and abuse within SSA's programs and operations. The SSA OIG Fraud Hotline receives allegations by telephone, regular mail, facsimile, and electronic mail. Allegations received at the SSA OIG Fraud Hotline are carefully reviewed to determine the most appropriate course of action. The SSA OIG Fraud Hotline may be contacted as follows:

MAIL: SSA FRAUD HOTLINE
PO BOX 17768
BALTIMORE, MD 21235

FAX: 410-597-0118

CALL: 1-800-269-0271

<http://www.ssa.gov/oig/guidelin.htm>

The charges were a result of an investigation started by the Social Security Administration, Office of Inspector General, Office of Investigations following a fraud referral by a Social Security employee assigned to the East St. Louis Office. The United States Postal Inspection Service later joined the investigation and provided support for the case at trial.